

1964

Martinez, 372 U.S. at 165. "The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances." *Ex parte Milligan*, 4 Wall. 2, 120-121.

That is a rather difficult argument to answer. This dissenting opinion is very disturbing to me in connection with the solution that we must finally come to in regard to the various jury trial amendments.

I have also taken into account the fact that, from our earliest constitutional history, and prior to our constitutional history, the courts did exercise—shall I say—plenary contempt powers. Here again, it was for the most part for contempts that were committed in the presence of the court, and the court had to respond immediately, to protect its judicial integrity.

However, Mr. Justice Goldberg has made a comment on that point, which I find rather devastating in its answer to those who draw too broad an application, in the exercise of the contempt powers by courts in colonial times and early constitutional times, to the situation involved in our civil rights problems of today.

Mr. Justice Goldberg states:

In 1821, this Court recognized that there were "known and acknowledged limits of fine and imprisonment" for criminal contempt. *Anderson v. Dunn*, 6 Wheat. 204, 228. What these limits were at about the time of the Constitution can best be derived from the contemporary statutory and case law.

When the Bill of Rights was ratified, at least 5 of the original 13 States had specific statutory limitations on the punishment which could be imposed summarily for criminal contempts. The Connecticut statute permitting summary punishment for certain types of contempts contained a proviso "[t]hat no single minister of justice shall inflict any other punishment [for criminal contempt than] . . . putting them in the stocks, there to set not exceeding two hours; or imposing a fine, not exceeding \$5."

Mr. Justice Goldberg then cites the statutes in the other colonies which had similar slight punishments, insofar as fines were concerned. However, let no one for a moment think that stock punishment was not serious punishment under the mores of that time. It was pretty serious. It would be pretty serious punishment in our time, if someone had to sit in stocks for 2, 4, or 6 hours, in view of what the community behavior then permitted with regard to a man who was in stocks.

It was common to be spat upon, jeered, ridiculed, and verbally attacked. It was not light punishment. However, Mr. Justice Goldberg comments point out that this type of punishment for contempt became frowned upon and led, as he sets out in his analysis of the law of an earlier day, to great changes in the laws. Punishments of that type—that is so-called body punishments and whip

lashings, and the placing in stocks—were done away with, and the fines themselves were of a very light amount.

Mr. Justice Goldberg points out that there has been a great shift in the protection of the right of the individual to a jury trial since colonial times, when it was a common practice for judges to impose, what we might consider, light penalties without benefit of jury in the case of criminal contempts.

But even in these cases they were principally contempts committed in the presence of the court.

That is not what the Barnett case is all about.

Therefore, in closing my comments on this point, in my judgment when we come to consider the amendments which are before us, we must decide except in those instances in which contempt is committed in the presence of the court; whether we shall waive a jury trial in any other criminal contempt case; and, that where we are dealing with contempt which does not involve a situation which calls for or justifies summary judicial action on the part of the court to protect its integrity, we must decide whether we shall waive a jury trial under any arbitrary provision such as we have in some of the amendments which are before us, which would provide a jury trial if the punishment exceeded a certain number of days in jail or the fine exceeded a certain amount.

It is a difficult and arbitrary standard to justify. The basic principle, it would seem to me, in the absence of a contempt committed in the presence of a court, ought to be: Should a jury trial be required before a criminal penalty is imposed upon a free American?

I have grave doubts about the amendments which seek to compromise that principle. We must decide whether we want to follow the majority opinion in the Barnett case, which now qualifies somewhat, as Mr. Justice Black points out, the opinion in the Greene case, or whether we want to—and we have the right to do it by legislation—take the position that by legislation we will require a jury trial in every criminal contempt case, save and except in those instances in which the contempt is committed in the presence of the court, where the court must proceed to protect itself by ordering that the person be taken to jail for reflection and cooling off, and subsequently be brought back to the court, as happens in contempt cases, for further consideration, usually for an apology or for making retribution or agreeing to any reasonable adjustment for the dismissal of the case that the court suggests.

But if we are to insist upon the imposition of a penalty for criminal contempt, such as has been brought out in cases going as far as 3 or 4 years, or 18 months, or 6 months, or any other period of time, should not the person be entitled to a jury trial?

It may be said, "What will you do about the argument of Government necessity, that is referred to by the majority in the Barnett case? You may not get jurors in certain parts of the country who will convict."

I do not think we can single out any part of the country in connection with this matter and say that such an action will be limited to the South, for there can be recalcitrant juries in any part of the country on an issue as emotionally seized as this one is. I will not give up my conviction that the overwhelming majority of people in all parts of the country, once a law has been passed, and once it is the law, will take the position that even though they may not like some of the implications of the law, so long as it remains the law they will live up to their responsibility in citizenship as jurors, and honor the oath they have taken as jurors to enforce the law.

At least, it would perhaps be better for us to try that approach rather than to proceed on the assumption—and it is only an assumption—that government by law will break down if we seek to deny to people accused of crime in this country an opportunity to be judged by their peers.

I have been asked: "What have you to say about municipal ordinances, under which people are held without trial by jury?"

I point out that the common practice is that if they really want to stand trial and refuse to settle for the judgment that has been rendered by a police judge, they can appeal and get jury trial. That is true in most jurisdictions in this country.

I wanted to say this tonight, because I do not believe sufficient consideration has been given in the debate thus far to the basic principles that Mr. Justice Goldberg and Mr. Justice Black pointed out, and to which I have alluded.

AMENDMENT NO. 570

During Mr. ROBERTSON'S speech on the civil rights bill,

Mr. STENNIS. Mr. President, will the Senator yield briefly to me, so that I may make some remarks for 2 or 3 minutes and may submit an amendment?

Mr. ROBERTSON. Mr. President, I yield, with the understanding that following my remarks, there will appear in the RECORD the statement to be made by the Senator from Oregon [Mr. MORSE], and that the remarks of the Senator from Mississippi [Mr. STENNIS] will follow. The Senator from Oregon wants his remarks to be in context with the recent discussion of the Barnett case.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I thank the Senator from Virginia, and I also thank the Senator from Oregon. By proposing this amendment, I did not want to interfere in any way.

Mr. President, I send to the desk, and ask unanimous consent that it be read, in compliance with the rules of the Senate, an amendment to H.R. 7152, the Civil Rights Act of 1963.

The PRESIDING OFFICER. Without objection, the clerk will read.

Mr. STENNIS. Mr. President, I ask unanimous consent that the reading of the amendment be waived, and that it be considered as read, in compliance with the rule.

¹ See *Duane v. United States*, Fed. Case No. 14,997 (1801): "We confine ourselves within the ancient limits of the law [of criminal contempt], recently retraced by legislative provisions and judicial decisions."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, this proposal would amend title 18 of the United States Code so as to make it a criminal offense for any person to travel in interstate commerce with the intent and purpose of committing a criminal offense under any law of any State, district, Commonwealth, or possession of the United States. It further provides that it shall be a criminal offense to aid and abet any person to move or travel in interstate commerce with the intent and purpose to commit such a criminal offense, or to transport any material or aid and abet in the transportation of any material in interstate commerce with the intent and purpose that such material be used to commit such a criminal offense.

The amendment further provides that any person guilty of committing such an offense shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both.

Mr. President, during the past 3 years we have witnessed the growth and development of a movement which, in my opinion, embodies a philosophy that is entirely foreign to our national heritage and jurisprudence. The movement of which I speak may be broadly characterized by the new common term "freedom rider." In its broadest significance, I use this term to mean the effort by one or more persons to travel into a State for the purpose of violating the laws of that State and its political subdivisions. There is no need to document such a statement, for it is common knowledge, indeed it is admitted by the participating groups, that the purpose of these trips is to violate local laws and ordinances. These efforts can be nothing other than an open and flagrant flouting and disregard for law and order as established by the duly constituted civil authorities.

I am concerned, Mr. President, and I believe each of us must be concerned, with the spreading of this philosophy, because no Nation can long survive if there is disrespect for law. Modern society can only exist when there is order among all men. Unfortunately, it has become perfectly acceptable in our country for certain minority groups to say to one and all: "We will disregard, in fact openly violate, your laws and we dare you to resist us."

This is a serious matter, Mr. President. There are children growing up in our country today who have lived under no other circumstances. They are being exposed to such flagrant violations of law; indeed, many of these children are being taught and encouraged to ignore and challenge authority. What type of philosophy are these children going to embrace when they become adults? What are they going to believe? If they are taught to lie down in the streets or subways, to block the entrance to business operations, to willfully refuse to attend public school as required by law, and any number of other offenses which almost exceed my imagination, what type of citizens can we expect them to become?

The amendment which I now introduce is designed to help prevent the ac-

ceptance of this philosophy of complete disrespect of law, Mr. President. If adopted, it will become a Federal criminal offense for any person to travel or transport material, or to aid and abet any person in traveling or transporting material in interstate commerce, with the intent and purpose of violating the law of any State, district, Commonwealth, or possession of the United States. There is ample precedent for the enactment of such a statute of general application, and in my opinion such authority would be of immeasurable benefit in the interest of law enforcement and prevention of crime throughout the Nation.

I do not yield to anyone in my belief in all the freedoms guaranteed by our Constitution and the necessity of maintaining those rights inviolate, including the right of an individual to petition his government for the redress of grievances. But we must all remember that for every right there is a responsibility and there is no absolute right of any man in an organized, advanced society such as that in which we live. The right to peaceably assemble, for example, is subject to reasonable regulation in the interest of all citizens; so are all other guarantees of the Bill of Rights. If any person believes that such regulation is not reasonable and violates his rights, there are established procedures to challenge such regulation through duly constituted judicial tribunals. These orderly legal processes, not the law of the jungle, must prevail or our Nation will not long remain free.

Mr. President, the context of the amendment speaks for itself. Its purpose is clear; and I submit it for that purpose.

I thank the Senator from Virginia [Mr. ROBERTSON] for yielding to me; and again I thank the Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be considered as having been read, and will be printed in the RECORD.

The amendment (No. 570) submitted by Mr. STENNIS, was ordered to lie on the table, as follows:

On page 54, between lines 7 and 8, insert the following new title:

"TITLE XI—TRANSPORTATION OF PERSONS OR MATERIAL INTO STATE TO VIOLATE STATE LAW

"Sec. 1101. (a) Part I of title 18, United States Code, is amended by adding after chapter 113 the following new chapter:

"Chapter 114—Transportation of persons or material to violate State law

"Sec. 2351. Transportation of persons or material to violate State law.

"Sec. 2351. Transportation of persons or material to violate State law.

"Whoever—

"(a) moves or travels in interstate or foreign commerce with the intent and purpose to commit a criminal offense under any law of any State, District, Commonwealth, or possession of the United States; or

"(b) aids and abets any person to move or travel in interstate or foreign commerce with the intent and purpose that such person commit such a criminal offense; or

"(c) transports any person, or aids and abets in the transportation of any person,

in interstate or foreign commerce with the intent and purpose that such person commit such a criminal offense; or

"(d) transports any material, or aids and abets in the transportation of any material, in interstate or foreign commerce with the intent and purpose that such material be used to commit, or be used in the commission of, such a criminal offense—

shall be fined not more than \$5,000, or imprisoned not more than five years, or both. Nothing in this section shall be construed as indicating an intent on the part of the Congress to deprive any State, District, Commonwealth, or possession of the United States of any jurisdiction over any offense over which it would have jurisdiction in the absence of such section."

"(b) The analysis of part I of title 18, United States Code, immediately preceding chapter 1 of such title, is amended by adding:

"114. Transportation of persons or material into State to violate State law"

after

"113. Stolen property."

On page 54, line 8, strike out "XI" and insert "XII".

On page 54, lines 9, 14, 22, and 25, strike out "1101", "1102", "1103", and "1104", and insert "1201", "1202", "1203", and "1204", respectively.

AMENDMENTS NOS. 571 AND 572

Mr. SALTONSTALL. Mr. President, will the Senator from Oregon yield to permit me to submit two amendments?

Mr. MORSE. I yield to the Senator from Massachusetts, if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALTONSTALL. I appreciate the courtesy of the Senator from Oregon.

Mr. President, I submit two amendments to the pending civil rights bill. I ask unanimous consent that they be printed in the RECORD, and ordered to lie on the table, and that they be considered as read, in order to make them eligible for consideration in the event a cloture motion is presented.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 571 and 572) are as follows:

By Mr. SALTONSTALL:

AMENDMENT No. 571

On page 39, line 25, strike out "Act" and insert "title".

By Mr. SALTONSTALL (for himself and Mr. SCOTT):

AMENDMENT No. 572

On page 24, strike out lines 6 through 11 and in lieu thereof insert the following:

"(b) The Commission shall, not later than January 31 of each year, submit a report to the President and the Congress setting forth its activities and findings during the preceding calendar year and its recommendations with respect thereto. The Commission shall submit such other reports to the President and to the Congress at such times as the Commission, the Congress, or the President may deem advisable."

THE WAR IN SOUTH VIETNAM

Mr. MORSE. Mr. President, I have just returned to Washington, following a speaking tour in my State and a speech in Ohio. I return more convinced than

1964

CONGRESSIONAL RECORD — SENATE

9625

ever that McNamara's war is deeply resented by many Americans throughout the country. In my opinion, the resentment will increase.

In my opinion, the families of American boys who are killed unjustifiably in McNamara's war in South Vietnam—and we now have an admission by the Secretary of Defense not only that he is willing to accept that label, but also that it is an American war in South Vietnam—will not bury their boys without a protest. Those protests will mount, and they should.

Furthermore, increasing numbers of Americans are waiting for the recommendation of the President of the United States for a resolution declaring war. They are recognizing that no President, not even the present President, has any right to make war by executive agreement. The only time there can be any justification for the American flag going into a battleline with American boys falling under it and making the supreme sacrifice is after there has been a declaration of war.

I repeat: I am still waiting for the Department of State to come forward with any international law justification for the killing of American boys in South Vietnam in McNamara's war.

I also warn the American people that the senior Senator from Oregon is convinced that undercover plans are underway to escalate that war. Escalating that war will carry with it great potential danger, for there are so many imponderables in the picture. There is great potential danger that we will be thrust into a nuclear war. If we get into a nuclear war on what we might think to be a small scale, it will be only a matter of time before the holocaust will be on. So I have a few questions to ask.

I am glad that the President of the United States has sent the chairman of the Foreign Relations Committee abroad for conferences—so the press releases and the newspapers say—with the Greek Government, the Cyprus Government, and the Turk Government, concerning the threat to peace in the Mediterranean. Certainly, there is nothing improper about that. But, to the contrary, I think it shows the good faith and the desire of the President of the United States to promote peace in that part of the world.

I should like to know what negotiations are being carried on by the United Nations seeking to resolve the conflict in the Mediterranean. I should like to know what the American Ambassador to the United Nations, Mr. Adlai Stevenson, is doing formally in regard to making United States representations concerning the struggle in the Mediterranean over which the United Nations has taken jurisdiction—and I think rightly so, and hopefully so.

I think we must make the strongest of representations to the United Nations itself. I have no objections. I applaud making representations unilaterally on the part of the United States, through the chairman of the Senate Foreign Relations Committee, Mr. Fulbright, to the

leaders of Greece, Turkey, and Cyprus. But I think the United Nations is on trial, too, in the Mediterranean. I am not satisfied to date with the action that is being taken by the United Nations. The sending of a peacekeeping corps over there is not enough.

I think that the Charter of the United Nations ought to be applied in the Cyprus conflict. And if it is necessary to call for an extraordinary meeting of the General Assembly of the United Nations, I wish that my Government would join—I hope with other signatories to the Charter, who want to maintain peace in the Mediterranean—in requesting such an extraordinary meeting of the General Assembly. I think that would be a fine precedent—as I have been stating in the Senate Chamber now for some weeks—for us to appeal likewise to the United Nations to take jurisdiction in South Vietnam, and to recognize that the one organization in the world which has a clear treaty obligation under the Charter of the United Nations to maintain peace in South Vietnam is not the United States of America, but the United Nations. I think the United Nations ought to step in to make it clear to the United States that it ought to desist from its unilateral action in South Vietnam. We should proceed to act through the United Nations, and proceed to urge and to give support to the establishment of a peacekeeping corps in South Vietnam, and to the setting up of a United Nations trusteeship in South Vietnam. For, I fear that if we do not follow that course of action—and time is running out on us—matters are going to get steadily worse in South Vietnam.

The first thing we know, we will be involved with North Vietnam, Cambodia, Laos, and Red China.

I certainly think we ought to also keep in mind the possibility that our bumbling and fumbling in a unilateral, unjustifiable military action in South Vietnam might escalate into a conflagration that will involve other countries. Our Secretary of Defense now admits that this is an American war, with which he is proud to be associated, and that he has no objection to its being called "McNamara's War." And it should be called McNamara's War, for he has written the blueprints for it. He is the one who has been calling the military shots. He is the one who has been making the proposals for the military operation in South Vietnam. Before this operation is escalated into a conflagration over there which will involve countries other than the two groups of Vietnamese that are now involved in the civil war in South Vietnam, we ought to place the conflict before the United Nations.

Certainly Congress ought to start taking action. Congress ought to insist upon its constitutional prerogatives being exercised. Congress ought to make perfectly clear to this administration that it does not look with approval on the administration conducting a war without congressional approval by means of the passage of a declaration of war.

ORDER OF BUSINESS

During the delivery of Mr. MORSE's speech,

Mr. METCALF. Mr. President, will the Senator from Oregon yield, to permit me to make some remarks about the Montana Power Co.?

Mr. MORSE. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana without losing my right to the floor, and that his remarks will follow mine in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

IOU NO. 28—MONTANA POWER PUTS THE GRASS IN THE "GRASS ROOTS" PAPERS

Mr. METCALF. Mr. President, according to the April 28 issue of the Daily Missoulian, published in Missoula, Mont., the president of the Montana Power Co., when asked if he knew of any company employee officially or unofficially engaged in "planting" editorials, said:

Never. This is entirely new to me. I've never heard of such a thing.

Mr. President, I ask unanimous consent to have printed in the Record an example of the company practice of which he denies knowledge.

Exhibit A is an editorial entitled "Knowles Dam is Wasteful."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

EXHIBIT A

[From Public Service Co. of Colorado magazine, July-August 1962]

KNOWLES DAM IS WASTEFUL

Western Montana, land of the great divide and scene of many a Hollywood horse opera is currently the stage for one of the gold-durndest scenarios ever to be unveiled under western skies.

Tarnation, what a plot. Instead of the usual tired settlers besieged by the usual irate Indians with Federal troops to the rescue, this latest western features settlers and Indians fighting side by side against—the Federal Government.

It's a battle of the slow burn rather than quick draw. It seems that the Federal Government would like to add 59,000 acres of prime ranch and farmland to its spread in order to build \$258,500,000 Knowles Dam on the Flathead River.

About the nicest thing the embattled residents can say about the Federal plan is that it is a shameful, wasteful proposal.

They point out that, "Taxpayers of the Nation would lose \$11 million each year because operating costs of a Federal Knowles Dam would grossly exceed its income."

"The taxpayers would also lose tax income of \$2,770,000 in Federal, State and local taxes each year which would come from locally constructed Buffalo Rapids dams." (The Montana Power Co. has applied to the Federal Government for permission to build two dams on the Flathead River at a cost of \$42 million which would generate 240,000 kilowatts of energy, only 16,000 kilowatts less than Knowles.)

Area residents estimate the total loss to the Nation's taxpayers over a 50-year period would be more than \$688 million.

What's more—they charge that it would destroy the National Bison Range at Moiese, home of the principal herd of American bison which "pennies and nickels from schoolchild-

dren helped pay for," would isolate valuable timberlands, destroy gamefish and wildlife breeding areas, and endanger upstream water rights.

They state that nearly one-half of the cost of the Knowles project, \$107 million, would be spent moving families and homes and in relocating railroads and pipelines.

Western Montanans point out that the Buffalo Rapids dams would bring in \$2,770,000 in taxes each year, would not destroy the Bison Range or gamefish and wildlife areas and would "assure Montana of 240,000 kilowatts of new power, available for our needs and do it without delay."

Mr. METCALF. Mr. President, exhibit B is the August 23, 1962, memorandum attached to the above editorial, which was sent to Montana editors by a well-known, longtime Montana Power Co. public relations official.

I ask unanimous consent that exhibit B be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXHIBIT B

AUGUST 23, 1962.

DEAR EDITOR: Here is a new slant on Knowles Dam. The writer sees it as a different western plot, with the settlers and Indians standing off the Federal Government. Most of the people in western Montana, including the Indians, who would lose valuable land and damsites, are opposed to the proposed project, which would ruin three valleys in western Montana.

A reprint of the article is attached.

OWEN GRINDE.

Mr. METCALF. Mr. President, exhibit C is an example of a successful plant of this editorial, as it appeared in the August 30, 1962, issue of the Phillips County News, Malta, Mont.

I ask unanimous consent that exhibit C be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EXHIBIT C

[From the Malta (Mont.) Phillips County News, Aug. 30, 1962]

KNOWLES DAM IS WASTEFUL

Western Montana, land of the great divide and scene of many a Hollywood horse opera, is currently the stage for one of the gold-durndest scenarios ever to be unveiled under western skies.

Tarnation, what a plot. Instead of the usual tired settlers besieged by the usual irate Indians with Federal troops to the rescue, this latest western features settlers and Indians fighting side by side against—the Federal Government.

It's a battle of the slow burn rather than quick draw. It seems that the Federal Government would like to add 59,000 acres of prime ranch and farmland to its spread in order to build \$258,500,000 Knowles Dam on the Flathead River.

About the nicest thing the embattled residents can say about the Federal plan is that it is a "shameful, wasteful" proposal.

They point out that, "Taxpayers of the Nation would lose \$11 million each year because operating costs of a Federal Knowles Dam would grossly exceed its income."

"The taxpayers would also lose tax income of \$2,700,000 in Federal, State, and local taxes each year which would come from locally constructed Buffalo Rapids dams." (The Montana Power Co. has applied to the Federal Government for permission to build two dams on the Flathead River at a cost of \$42 million which would generate 240,000

kilowatts of energy, only 18,000 kilowatts less than Knowles.)

Area residents estimate the total loss to the Nation's taxpayers over a 50-year period would be more than \$688 million.

What's more they charge that it would destroy the National Bison Range at Moiese, home of the principal herd of American bison which "pennies and nickles from schoolchildren helped pay for," would isolate valuable timberlands, destroy gamefish, and wildlife breeding areas, and endanger upstream water rights.

They state that nearly one-half of the cost of the Knowles project, \$107 million, would be spent moving families and homes and in relocating railroads and pipelines.

Western Montanans point out that the Buffalo Rapids dams would bring in \$2,770,000 in taxes each year, would not destroy the bison range or gamefish and wildlife areas and would "assure Montana of 240,000 kilowatts of new power, available for our needs and do it without delay."

Mr. METCALF. Mr. President, if the company president is not aware of this company practice, he has not earned his \$75,000 annual salary, \$37,695 in annual benefits upon reaching retirement age, approximately \$40,000 a year in dividend income and the \$370,269.90 windfall profit he obtained when he bought 30,000 shares of company stock at less than half the price per share which ordinary stockholders were required to pay.

If the company president did not know this public relations official was participating in the company's anti-Knowles Dam propaganda campaign, then the company presumably did not list any portion of the publicity man's salary and expenses in the \$25,235.79 which the company listed in account 426 of its 1962 form 1 report to the Federal Power Commission, as "Information Program re Buffalo Rapids and Knowles Dam sites."

Account 426 expenditures are usually chargeable to the stockholders rather than the ratepayers. The rationale here is that while utilities can certainly engage in political propaganda activities, such matters are not part of the cost of producing electricity, therefore the electric consumers should not be required to help finance such activity.

Mr. President, the apparent failure of the Montana Power Co. to report all its anti-Knowles expenditures in the \$25,235.79 item in account No. 426 indicates that the company has included some of these company propaganda activities as operating expenses, chargeable to the company ratepayers, who are required to provide Montana Power with the most exorbitant rate of return of any major I.O.U.—investor-owned utility—in the country.

The company president's admitted lack of knowledge of employee propaganda activity raises a further question. If he has never heard that his company plants anti-Knowles newspaper editorials, he perhaps has not heard about—and properly reported to Federal Power Commission and the Montana Railroad and Public Service Commission—other activities of certain company employees in connection with Indian, conservation, resource, business, and community organizations.

Therefore, Mr. President, I am asking the Federal Power Commission to invite the Montana Power Co. to amend

its report to FPC, if it wishes, after the company president has had time to familiarize himself with certain aspects of company activity of which he admits no knowledge.

The Missoulian article, to which I referred previously, also quoted the president of Montana Power as saying that the computations of the National Rural Electric Cooperative Association, concerning the Montana Power Co.'s exorbitant rate of return, are "entirely improper, unfair, and unrealistic."

Mr. President, the finding of NRECA concerning the Montana Power Co. is in accord with the findings of a large investment company with a large portfolio of utility stocks, as reported in an industry-oriented magazine, and the findings of an independent consultant who used two different methods of computing the rate of return.

As documentation, I ask unanimous consent to have printed in the RECORD, exhibit D, a table which appeared in the January 3, 1963, issue of Public Utilities Fortnightly, showing the rate of return in each State in 1960, with Montana listed as having the highest rate of return.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT D

[From Public Utilities Fortnightly, Jan. 3, 1963]

Average rate of return on capital
(In percent)

	1960 return	Increase, 1955-60
Montana.....	8.7	10
Alaska.....	8.0	
Texas.....	7.4	5
Wyoming.....	7.4	7
South Dakota.....	7.3	10
New Mexico.....	7.1	10
South Carolina.....	7.1	15
Florida.....	7.1	11
Nevada.....	6.9	24
Kentucky.....	6.8	8
Mississippi.....	6.8	21
West Virginia.....	6.7	7
Illinois.....	6.7	18
Kansas.....	6.7	13
Ohio.....	6.6	
Oklahoma.....	6.6	3
Iowa.....	6.5	3
Georgia.....	6.5	
Virginia.....	6.4	10
Pennsylvania.....	6.4	
Maryland.....	6.4	3
Minnesota.....	6.4	2
Colorado.....	6.3	5
North Dakota.....	6.2	18
Arizona.....	6.2	D19
Delaware.....	6.2	19
Oregon.....	6.1	D3
Missouri.....	6.1	1
Louisiana.....	6.1	2
Indiana.....	6.1	3
North Carolina.....	6.1	
Wisconsin.....	6.0	D1
Alabama.....	6.0	
Washington.....	6.0	D20
Connecticut.....	6.0	5
Vermont.....	5.9	3
District of Columbia.....	5.9	2
Michigan.....	5.9	1
Hawaii.....	5.8	
Arkansas.....	5.8	D1
California.....	5.7	6
Massachusetts.....	5.7	4
Utah.....	5.7	3
Maine.....	5.7	10
New Jersey.....	5.6	D1
Tennessee.....	5.5	40
New York.....	5.4	7
Rhode Island.....	5.2	D1
New Hampshire.....	4.9	D1
Idaho.....	4.8	D12

¹ The low figure for Idaho is probably due mainly to the fact that most of the power in this State is generated by hydro.